

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

*In the Matter of:*

Algoma Post Office  
Algoma, Mississippi

Docket No. A2011-79

UNITED STATES POSTAL SERVICE  
COMMENTS REGARDING APPEAL  
(November 15, 2011)

On September 21, 2011, the Postal Regulatory Commission (Commission) received an appeal postmarked September 13, 2011, from postal customer Phyllis McGregor objecting to the discontinuance of the Post Office at Algoma, Mississippi. The Commission also received additional appeals from customers of the Algoma Post Office Harry Neal & Weezie Corder, Beverly Corder, Tommy & Emily Wiggins, Robert & Carolyn Miller, Harriett Teasler, Brooks & Heather Corder, Hilda Smith, and Harry Corder (all parties are hereinafter referred to as "Petitioners").<sup>1</sup> On September 23, 2011, the Commission issued Order No. 868, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). Petitioners Harry Neal & Weezie Corder filed a Form 61 in support of their petitions on October 25, 2011. In accordance with Order No. 868, the administrative record was filed with the Commission on October 6, 2011. Mayor Harry Corder submitted additional comments on November, 1, 2011.

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<sup>1</sup> Wanda Collums, who also serves as the Officer-in-Charge, also submitted correspondence and a Participant Statement in this docket. Ms. Collums identifies herself as the Officer-in-Charge in the Participant Statement. To the extent Ms. Collums is objecting to the closing, she has no standing as an employee to bring an appeal on grounds that section 404(d) appeal rights are conferred only to "persons served" by the discontinued Post Office. See 39 USC 404(d)(3) &(5).

The appeals received by the Commission raise four main issues: (1) the effect on postal services, (2) the impact upon the Algoma community, (3) the effect on employees, and (4) the calculation of economic savings expected to result from discontinuing the Algoma Post Office. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. Accordingly, the determination to discontinue the Algoma Post Office should be affirmed.

### **Background**

The Final Determination To Close the Algoma, MS Post Office and Establish Service by Rural Route Service (FD), as well as the administrative record, indicate that the Algoma Post Office, an EAS- 55 level, provides service from 7:45 to 11:00, 1:00 to 4:30 Monday-Friday, 7:45 to 10:00 Saturday and lobby hours of 24 hours on Monday-Friday and 24 hours on Saturday to 77 Post Office Box customers, and no delivery customers. FD at 2; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet, The postmaster position became vacant when the postmaster retired on February 2, 2010. A temporary officer-in-charge (OIC) replaced the postmaster. Upon implementation of the final determination, the OIC, a part-time flexible employee, will return to her position at the Post Office in Houlka. FD at 5; Item No. 18 (Form 4920) at 1; Item No. 15, Post Office Survey Sheet, at 1.

The average number of daily retail window transactions at the Algoma Post Office is twenty nine. Revenue has generally been low: \$12,169.00 in FY 2008 (32 revenue units); \$11,591.00 in FY 2009 (30 revenue units), and \$11,782.00 in FY 2010

(31 revenue units). The Algoma Post Office has one postage meter customer. FD at 2; Item No. 18, Form 4920, at 1.

Upon implementation of the final determination, delivery and retail services will be provided by the Pontotoc Post Office, an EAS-20 level office located seven and a half miles away. The Pontotoc Post Office has 160 post office boxes available. The window service hours at the Pontotoc Post Office are from 8:30 a.m. to 11:00 a.m.; 1:00 p.m. to 4:30 p.m., Monday through Friday, and 9:00 a.m. to 11:00 a.m. on Saturday. FD at 2. This service will continue upon implementation of the FD.

The Postal Service followed the proper procedures which led to the posting of the FD. All issues raised by the customers of the Algoma Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means.

Questionnaires were distributed to delivery customers of the Algoma Post Office. Questionnaires were also available over the counter for retail customers at Algoma. FD at 2; Item No. 20, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Algoma Post Office. A letter from the Manager of Post Office Operations, Jackson, MS, was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Algoma Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Pontotoc Post Office. The letter invited customers to complete and return a customer questionnaire

and to express their opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Item No. 21, Letter to Customer, at 1. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22. In addition, representatives from the Postal Service were available at the Algoma Municipal Court Room for a community meeting on March 24, 2011, to answer questions and provide information to customers. FD at 2; Item No. 21, Letter to Customer, at 1; Item No. 24, Community Meeting Roster, at 1; Item No. 25, Community Meeting Analysis at 1; Item No. 41, Proposal, at 1. Customers received formal notice of the Proposal and FD through postings at nearby facilities.

The Proposal was posted with an invitation for public comment at the Algoma Post Office and the Pontotoc Post Office from April 21, 2011 to June 22, 2011. FD at 2; Item No. 41, Proposal, at 1, The FD was posted at the same two Post Offices starting on September 9, 2011, as confirmed by the round-dated FD cover sheets that appear in the administrative record.

In light of the postmaster vacancy, minimal workload, low office revenue, the variety of delivery and retail options (including the convenience of rural delivery and retail service) minimal impact upon the community, and the expected financial savings, the Postal Service issued the FD. Regular and effective postal services will continue to be provided to the Algoma community in a cost-effective manner upon implementation of the final determination. FD at 2 and 7.

Each of the issues raised by the Petitioner is addressed in the paragraphs which follow.<sup>2</sup>

### **Effect on Postal Services**

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Algoma Post Office on postal services provided to Algoma customers. The closing is premised upon the Postal Service's ability to provide regular and effective postal services to Algoma customers at another nearby postal facility.

The Petitioners, in their letters of appeal, raise the issue of the effect on postal services of the Algoma Post Office's closing, noting the convenience of the Algoma Post Office and requesting its retention. These concerns were considered by the Postal Service. Upon implementation of the Final Determination, services provided by the Algoma Post Office, such as the sale of stamps, envelopes, postal cards and money orders, will be available at the Pontotoc Post Office, and will also be provided by the carrier to roadside mailboxes located close to customers' residences. Customers opting for carrier service will not have to pay post office box fees. FD at 5; Item No. 41, Proposal, at 5. In hardship cases, delivery can be made to the home of the customer.

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<sup>2</sup> Petitioner Corder alludes in his participant statement to another Post Office discontinuance, apparently in a community populated by Amish residents. It is unclear what other community is affected. Nonetheless, such issues are not germane to this discontinuance action. The statute governing this appeal proceeding, 39 U.S.C. § 404(d), limits the Commission's review to facts contained in the administrative record. The impact of the potential discontinuance of other nearby Post Offices on postal services offered to Algoma residents would, of course, be considered should the feasibility study of the such other Post Office(s) advance to the proposal stage.

Postal customers with challenges will not be required to travel to another post office for services.

The Postal Service explained that rural carriers have earned the respect of the American public through many years of dedication to the Postal Service and to postal customers and that during national and local emergencies, including prolonged periods of extreme weather conditions, rural carriers have demonstrated great responsibility in providing mail service to postal customers. The Postal Service also addressed concerns about mail security. The Postal Service explained that customers may place a lock on their mailboxes so long as the slot for inserting mail was large enough to accommodate the customer's normal daily mail volume. FD at 3-4; Item No. 41, Proposal, at 3-4.

The Petitioners express concern about change of address. As explained in the FD, the Postal Service will continue the use of the suspended Post Office name and ZIP Code in addresses and in the National Five-Digit Zip Code and Post Office Directory. FD at 5-6; Item No. 41, 5-6

A few Petitioners also express concern about lack of broadband internet access in the Algoma community. As explained in the FD, however, internet transactions are not essential. FD at 2. The rural carrier will be able to provide many retail services to customers, and it is not necessary to meet the carrier to perform most transactions. FD at 2-3. Thus, even if customers do not have access to the internet, they may still conduct transactions through the carrier and by telephone.

The Postal Service has considered the impact of closing the Algoma Post Office upon the provision of postal services to Algoma customers, and has concluded that the Algoma customers will continue to receive regular and effective services. Carrier delivery will be made to roadside mailboxes close to customers' residences. In hardship cases, delivery can be made to the home of the customer. Customers may purchase stamps by mail, and Money Order application forms are available for customer convenience. Special services such as Certified, Registered, Express Mail, Delivery Confirmation, Signature Confirmation may be obtained from the carrier by leaving a note in the mailbox, along with the appropriate payment. Customers who will be away for an extended time may request that their mail be held at the Post Office during their absence. FD at 2-3; Item No. 21, Letter to Customer, at 4. Thus, the Postal Service has properly concluded that all Algoma customers will continue to receive regular and effective mail service.

### **Effect On the Algoma Community**

The Postal Service is obligated to consider the effect of its decision to close the Algoma Post Office upon the Algoma community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Algoma is an incorporated rural community located in Pontotoc County. The community is administered politically by Pontotoc County. Police protection is provided

by the Algoma Local Police Department, while fire protection is provided by the Algoma Fire Department. The community is comprised of retirees, commuters and the self-employed. Residents may travel to nearby communities for supplies and services. FD at 5.

The Petitioners' letters of appeal raise the issue of the effect of the closing of the Algoma Post Office upon the Algoma community. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 5- 6; Item No. 29, Proposal. The Postal Service recognizes that a community's identity derives from the interest and vitality of its residents and their use of its name. FD at 2; Item No. 41, at 2. The Postal Service has advised customers that it would continue the use of the suspended Post Office name and ZIP Code in addresses and in the National Five-Digit Zip Code and Post Office Directory. FD at 2; Item No. 41, at 2. The Postal Service explained that there was no indication that the business community would be adversely affected and assured them that regular and effective postal services will be provided to the Algoma community. In addition, the Postal Service has concluded that nonpostal services provided by the Algoma Post Office can be provided by the Pontotoc Post Office. FD at 5; Item No. 41, Proposal, at 5.

Customers expressed a concern that the loss of the Post Office would have a detrimental effect on the business community. FD at 5-6; Item No. 41, Proposal, at 6. There is no indication that the Algoma business community will be adversely affected. Businesses generally require regular and effective postal services and these will continue to be provided to the Algoma business community. FD at 5-6; Item No. 41,



Proposal, at 6. The questionnaires completed by Algoma customers indicate that, in general, the retirees, commuters, and others who reside in Algoma may travel elsewhere for other supplies and services, but will continue to use local businesses if the Algoma Post Office is consolidated. See generally FD at 5 and 6; Item No. 22, Returned customer questionnaires and Postal Service response letters.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Algoma Post Office on the community served by the Algoma Post Office.

### **Economic Savings**

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service less than maintaining the Algoma Post Office and would still provide regular and effective service. Item No. 21, Letter to Customer, at 1. The estimated annual savings associated with discontinuing the Algoma Post Office are \$38,115.00. FD at 6; Item No. 41, Proposal, at 6.

The Petitioners' letters of appeal suggest various strategies that might increase business or reduce cost at the Algoma Post Office, such as having reduced service hours or subleasing part of the facility. The Postal Service has broad experience with and has considered similar options. In this case, the Postal Service has determined that rural route service is the optimal solution for providing regular and effective service to the Algoma community.

Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 6; Item No. 41, Proposal, at 6.

The Postal Service determined that carrier service is more cost-effective than maintaining the Algoma postal facility and postmaster position. FD, at 7. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

### **Effect on Employees**

As documented in the record, the impact on postal employees is minimal. The postmaster retired on February 2, 2010, thereby leaving the position vacant. An employee from a neighboring office was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the OIC, a part-time flexible employee, will return to her position at the Post Office in Houlka, Item 15; FD at 5.. The record shows that no other employee would be affected by this closing. FD, at 2 and 6; Item No. 15, Post Office Survey Sheet, at 1; Item No. 41, Proposal, at 2 and 7. Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Algoma Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

## **Conclusion**

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Algoma Post Office on the provision of postal services and on the Algoma community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Algoma customers. FD, at 7. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Algoma Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Algoma Post Office be affirmed.

Respectfully submitted,

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